ANNUAL REPORT

OF

THE SASKATCHEWAN GOVERNMENT

PRINTING COMPANY

of the

Province of Saskatchewan

for the

Period from January 1, 1990 to December 14, 1990

Date of Windup

92-00433/

Regina, Saskatchewan
April, 1991

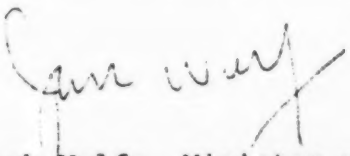
To Her Honour,
The Honourable Sylvia O. Fedoruk, O.C., S.O.M.,
Lieutenant Governor of the
Province of Saskatchewan

Madam:

I have the honour to submit herewith the annual report of The Saskatchewan Government Printing Company for the period from January 1, 1990 to December 14, 1990, date of windup, including the financial statements thereof, duly certified by the Company's Auditors and in the form approved by the Treasury Board, all in accordance with The Crown Corporations Act, 1978.

I have the honour to be, Madam,

Your obedient servant



Jack Wolfe, Minister responsible for
The Saskatchewan Government Printing Company

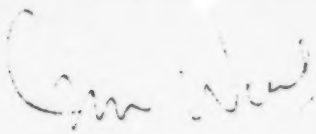
CHAIRMAN'S REMARKS

This is the forty-fifth and final annual report of The Saskatchewan Government Printing Company. It covers the period from January 1, 1990 to December 14, 1990, date of windup.

The Saskatchewan Government Printing Company was established under The Crown Corporations Act of 1945 to operate a general job printing and book binding business.

In March, 1989, the Company's assets were sold to Printco Graphics Inc., under Order-in-Council 214/89. The status of The Saskatchewan Government Printing Company changed from a commercial printer to that of a holding company.

As at December 14, 1990 all assets, liabilities and other obligations of The Saskatchewan Government Printing Company were transferred to the Province of Saskatchewan. Accordingly, the Company was dissolved on December 14, 1990 by Order-in-Council 1085/90.



Jack Wolfe, Chairman
The Saskatchewan Government Printing Company

AUDITORS' REPORT

To the Members of the Legislative Assembly of Saskatchewan

We have audited the statement of financial position of The Saskatchewan Government Printing Company as at December 14, 1990 and the statements of operations and deficit and changes in financial position for the period then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at December 14, 1990 and the results of its operations and changes in its financial position for the period then ended in accordance with generally accepted accounting principles.

Mintz & Wallace

REGINA, Saskatchewan

March 19, 1991

Mintz & Wallace

Chartered Accountants

Statement 1

THE SASKATCHEWAN GOVERNMENT PRINTING COMPANY
STATEMENT OF FINANCIAL POSITION

As at December 14, 1990

	December 14, 1990	December 31, 1989 (note 4)
Assets		
Current Assets:		
Cash - restricted (note 3)	$ -	$ 53,214
Cash - unrestricted	-	58,984
Accounts receivable	-	13,867
Note receivable (note 3)	-	101,500
	-	227,565
Note receivable (note 3)	-	446,600
	$ -	$ 674,165
Liabilities and Province's Deficit		
Current Liability:		
Accounts Payable	$ -	$ 28,525
Note payable (note 2)	-	1,061,539
	-	1,090,064
Province of Saskatchewan's Deficit:		
- Statement 2	-	(415,899)
	$ -	$ 674,165

See Accompanying Notes

Statement 2

THE SASKATCHEWAN GOVERNMENT PRINTING COMPANY
STATEMENT OF OPERATIONS AND DEFICIT

For the period from January 1, 1990 to December 14, 1990

	348 days to December 14, 1990	365 days to December 31, 1989 (note 4)
Revenue:		
Sale of printing services	$ -	$ 205,872
Interest	43,723	33,851
Miscellaneous	1,314	-
	45,037	239,723
Expenses:		
Operating costs	-	116,364
General and administration	5,096	188,867
Depreciation	-	12,940
Interest	92,612	174,540
	97,708	492,711
Loss before extraordinary item	(52,671)	(252,988)
Extraordinary gain on sale of fixed assets and inventory	-	13,131
Net loss for the year	(52,671)	(239,857)
Deficit - beginning of year as previously reported	(389,662)	(176,042)
Correction of an error (note 4)	(26,237)	-
As restated	(415,899)	(176,042)
	(468,570)	(415,899)
Forgiveness of debt (note 2)	532,113	-
Transfer to Consolidated Fund (note 3)	(63,543)	-
Deficit - end of year	$ -	$ (415,899)

See Accompanying Notes

THE SASKATCHEWAN GOVERNMENT PRINTING COMPANY
STATEMENT OF CHANGES IN FINANCIAL POSITION

For the period January 1, 1990 to December 14, 1990

	348 days to December 14, 1990	365 days to December 31, 1989 (note 4)
Operating Activities:		
Loss before extraordinary item	$ (52,671)	$ (252,988)
Plus depreciation which does not affect cash	-	12,940
	(52,671)	(240,048)
Net change in non-cash working capital	13,586	262,351
Cash (used by) provided by operating activities	(39,085)	22,303
Financing Activities:		
Increase in note payable	92,613	91,539
Reduction of note payable		
- repayment	(165,000)	(1,130,000)
- forgiveness	(532,113)	-
- transfer to Consolidated Fund	(457,039)	-
Forgiven debt	532,113	-
Cash used by financing activities	(529,426)	(1,038,461)
Investing Activities:		
Reduction in note receivable	52,488	-
Proceeds on disposal of fixed assets and inventory	-	1,542,286
Purchase of fixed assets	-	(201,333)
Note receivable advance	-	(446,600)
Increase in restricted cash	-	(53,214)
Increase in note receivable	-	(101,500)
Transfer to Consolidated Fund		
- restricted cash	(58,420)	-
- equity	(5,123)	-
- net current assets/liabilities	126,470	-
- note receivable	394,112	-
Cash provided by investing activities	509,527	739,639
Decrease in cash	(58,984)	(276,519)
Cash, beginning of year	58,984	335,503
Cash, end of year	$ -	$ 58,984

See Accompanying Notes

THE SASKATCHEWAN GOVERNMENT PRINTING COMPANY
NOTES TO FINANCIAL STATEMENTS

December 14, 1990

1. **Significant Accounting Policies**

These financial statements are prepared in accordance with generally accepted accounting principles.

2. **Forgiveness of Debt**

During the year the company received a forgiveness of debt from the Province in the amount of $532,113. The Province wrote down the loan from Saskatchewan Government Printing Company to recognize its net realizable value.

3. **Windup of Company**

In March, 1989, the Government sold Saskatchewan Government Printing Company's assets. The status of the Company changed to a holding company by Order-in-Council 214/89 as at March 22, 1989.

As at December 14, 1990, all assets, liabilities and other obligations of Saskatchewan Government Printing Company were transferred to the Consolidated Fund. Accordingly, the Company was dissolved on December 14, 1990 by Order-in-Council 1085/90.

As at December 14, 1990 the following was transferred to the Consolidated Fund:

Cash - restricted *	$ 58,420
Current assets/liabilities	
Cash - unrestricted	4,725
Accounts receivable	1,099
Note receivable **	64,326
Accounts payable	(2,100)
	68,050
Term note receivable **	394,112
Note payable	(457,039)
Net assets	5,123
	$ 63,543

*** Cash - restricted**

A trust in the amount of $50,000 plus accrued interest is available to Printco Graphics Inc. for the purpose of redeeming its shares. The agreement terminates March 1, 1994.

** **Notes Receivable**

Due from Printco Graphics Inc. as at December 14, 1990:

Demand note receivable which bears no interest and is unsecured	$ 64,326
Term note receivable in monthly instalments of $9,441 including interest of 10% per annum, due March 1, 1995. A second charge on property, plant and equipment is held as security for the note receivable.	$ 394,112

4. **Correction of an Error**

Prior year's figures have been adjusted to reclassify the loss on sale of inventory of $196,418 previously reported as operating costs, as an extraordinary item. In addition, the prior year's figures have been adjusted to reflect accrual of legal costs which the company was obliged to pay as a result of the sale of the printing operation to Printco Graphics Inc. in 1989. The legal fees are shown as an extraordinary item. The effect of these adjustments to the comparative figures is as follows:

	Increase
Accounts payable	$ 26,237
Net loss for the year	$ 26,237
Deficit - end of year	$ 26,237